Daily Report

East Europe

FBIS-EEU-95-127
Monday
3 July 1995

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Daily Report
East Europe

FBIS-EEU-95-127 *3 July 1995*

CONTENTS

NOTICE: This volume contains a representative selection of material previously disseminated in softcopy format.

INTERNATIONAL AFFAIRS

Reportage on Black Sea Summit 1
Radio Lists Participants *[Bucharest Radio]* 1
Greek President Arrives *[Athens Radio]* 1
Bulgaria's Zhelev Holds Talks *[Sofia Radio]* 1
Albania's Vrioni Addresses Summit *[Tirana TV]* 1
French Fear U.S. Clash With Europe Over Bosnia *[TANJUG]* 2

ALBANIA

Kosovo's Rugova Arrives for Talks With Berisha *[Kosova Daily Report]* 4
Berisha Departs for World Summit in Valais *[Tirana Radio]* 4
'Cause for Rejoicing' in Improved U.S. Relations *[KOHA JONE 2 Jul]* 4

CZECH REPUBLIC

Russia's Kozyrev Meets Klaus, Praises Relations *[Prague Radio]* 5
French Pullout Delays Refineries' Privatization *[MLADA FRONTA DNES 29 Jun]* 5
Army Order Causes Problems for RDP Group *[MLADA FRONTA DNES 29 Jun]* 5
Article Views Unresolved MiG Modernization Issue *[LIDOVE NOVINY 28 Jun]* 6

SLOVAKIA

Prime Minister Assesses Meeting With Pope *[Bratislava Radio]* 8
Commentary on Meciar's Foreign Policy *[NARODNA OBRODA 29 Jun]* 8

HUNGARY

Kovacs Optimistic About Romanian Relations *[NEPSZABADSAG 30 Jun]* 10
Finance Minister Bokros Interviewed About Economy *[Budapest TV]* 11
Chairman Gal Sums Up Year's Legislative Work *[MAGYAR NEMZET 30 Jun]* 13

BOSNIA-HERZEGOVINA

Presidency Adopts War Budget, Amendments *[Sarajevo Radio]* 15
Plavsic Views Unification of Serbian Krajina *[OSLOBODJENJE (Bosnian Serb) 22 Jun]* 15
Krajisnik: German Decision To Join RRF Hostile *[SRNA]* 16
General Mladic Ready To Take On Germans *[SRNA]* 16

CROATIA

Valentic: Zagreb Not Preparing Offensive Actions *[Zagreb Radio]* 18
Tudjman Threatens Use of Military Force *[Zagreb Radio]* 18
Lists Conditions *[AFP]* 18
Sees Stoltenberg, Bildt *[Zagreb Radio]* 19
Turkish Defense Minister Comments on Cooperation *[SLOBODNA DALMACIJA 28 Jun]* 19
Ship Construction for Iranian Fleet Discussed *[Zagreb Radio]* 20
Newspaper Alleges Persecution of Non-Serbs *[Media Note]* 21

POLAND

Bartoszewski Views Kohl Visit, NATO, Russia *[Cologne Radio]* 23
Kohl Links NATO Membership to Joining EU *[Warsaw TV]* 24
Polish, Egyptian Foreign Ministers Hold Talks *[Warsaw Radio]* 25
Well-Known Comedian To Run for President *[RZECZPOSPOLITA 30 Jun]* 25
Walesa Undecided on Presidential Race *[PAP]* 26
Right Discusses Fielding Joint Candidate *[GAZETA WYBORCZA 30 Jun]* 26
Solidarity Strike Begins at Nadwislanska Mines *[PAP]* 26

ROMANIA

Defense Minister Rejects Officers' Attacks *[Bucharest Radio]* 28
Cioflina Announces Defense Industry Privatization *[EVENIMENTUL ZILEI 26 Jun]* 28

YUGOSLAVIA

Federal

Foreign Ministry: FRG Decision Causing Anxiety *[Belgrade TV]* 29
Minister Details Economic Losses From Sanctions *[TANJUG]* 29
Navy Builds New Base in Montenegrin Valdanos Bay *[DNEVNIK 27 Jun]* 29

Reportage on Black Sea Summit

Radio Lists Participants

AU3006143695 Bucharest Radio Romania Network in Romanian 1000 GMT 30 Jun 95

[FBIS Translated Text] Within two hours' time in Bucharest, the proceedings of the Black Sea Economic Cooperation Zone summit conference are to be opened.

As we have already reported, all the participating delegations have arrived in our capital. Seven heads of state are to attend the conference at Parliament Palace—namely, the presidents of Bulgaria, Greece, Turkey, Moldova, Azerbaijan, Georgia, and Romania. Armenia and Ukraine are represented by their prime ministers, while the delegations of Russia and Albania are headed by their deputy prime ministers.

The conference will also be attended, as observers, by representatives of Austria, Egypt, Italy, Israel, Poland, Slovakia, and Tunisia, as well as representatives of several international bodies—namely, the UN Commission for Europe, the Danube Commission, the International Monetary Fund, and the European Bank for Reconstruction and Development.

Greek President Arrives

NC3006160595 Athens Elliniki Radhiofonia Radio Network in Greek 1500 GMT 30 Jun 95

[FBIS Translated Text] President Konstandinos Stefanopoulos, accompanied by Foreign Minister Karolos Papoulias, is visiting Bucharest to attend the conference of Black Sea states. The delegations will discuss progress on initial ideas outlined three years ago in Istanbul on economic cooperation in the Black Sea.

The president arrived in Bucharest early this morning and had a series of meetings with Romanian President Ion Iliescu, Bulgarian President Zhelyu Zhelev, [acting] Ukrainian Prime Minister Yevhen Marchuk, and Azerbaijani President Heydar Aliyev on the sidelines of the conference.

President Stefanopoulos described his talks with the Bulgarian president as very constructive and stressed [words indistinct] between the two countries. They agreed that the Greek president would visit Sofia in the first half of October to be followed by a visit by Zhelyu Zhelev to Athens.

In a statement upon his arrival in Romania, Stefanopoulos referred to the Black Sea Cooperation Organization conference and stressed that, while much has been done, it is still only the beginning and more can be done.

Foreign Minister Karolos Papoulias met his Bulgarian and Russian counterparts as well as a delegation of Greek refugees.

Bulgaria's Zhelev Holds Talks

AU3006141695 Sofia Khorizont Radio Network in Bulgarian 1300 GMT 30 Jun 95

[FBIS Translated Text] About one hour ago, in Bucharest, the summit meeting of the Black Sea Economic Cooperation opened. Our reporter, Silviya Velikova, reports:

[Velikova] President Zhelev conducted three meetings before the opening of the Black Sea Economic Cooperation summit.

The first meeting was with Oleg Soskovets, Russia's first deputy prime minister. They discussed bilateral relations, a customary topic at such meetings, and reached the conclusion that they are developing positively. Nevertheless, President Zhelev posed the issue of the high customs duties Bulgaria is paying for its exports to Russia. Even Greece and Turkey are paying less than Bulgaria, President Zhelev said. Moreover, even since the visit of Russian Prime Minister Chernomyrdin to Bulgaria, nothing has changed in this area.

Oleg Soskovets said that he is taking it upon himself to inform the Russian Government and Duma about Bulgaria's grievance regarding the customs duties.

President Zhelev also met Greek President Konstandinos Stefanopoulos. After the meeting, it was reported that the Greek head of state will visit Bulgaria in the fall. Afterward, President Zhelev will make a visit to Greece.

The third meeting, which developed into a special lunch for the Bulgarian president, was the meeting with the Romanian head of state, Ion Iliescu. The host of the Black Sea Economic Cooperation summit and Bulgarian President Zhelev have noted that bilateral relations are developing well and that their positions regarding the bridges across the Danube River have not changed. For Bulgaria, the priority remains a bridge between Vidin and Calafat or between Lom and Rastu, while for Romania the priority is a bridge in the southeastern part of the country.

Albania's Vrioni Addresses Summit

AU0107152195 Tirana TVSH Television Network in Albanian 1800 GMT 30 Jun 95

[Report by Amalia Dhamo from Bucharest]

[FBIS Translated Excerpt] At 1500 local time today, the high-level summit of the Black Sea Economic

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Cooperation [BSEC] started its proceedings at the Palace of Parliament in Bucharest. [passage omitted]

In his address, Deputy Prime Minister Dylber Vrioni, who chaired our delegation, stated among other things that the integration of the regional states into European structures and the system of world economy as an imperative and challenge of our time gives the BSEC another dimension within the scope of problems considered for solution.

First, the setting up of a Black Sea bank on trade and development will undoubtedly mark a qualitative and quantitative step in entirely strengthening the economic relations between our countries and in exploiting the great natural and human potentials in our region, aiming at reaching a harmonic development within the region itself.

I would like to draw your attention, Vrioni said, to the acute problem of Kosova. Without a just solution of the problem, which would consider the human and national rights of Albanians living there, it is hard to believe in long-term stability of the Balkan peninsula.

Within this framework, Deputy Prime Minister Vrioni and the delegation accompanying him were received this morning at a special meeting in Cotroceni Palace by Romanian President Ion Iliescu.

At the meeting, they mainly focused on increasing cooperation among the countries of our region as the road that leads to creating a climate without conflicts and tensions. They also discussed problems of bilateral cooperation in political and economic fields.

At a bilateral meeting held between Mr. Vrioni and Ukrainian Prime Minister Marchuk, they talked and agreed on developing bilateral relations in the fields of economy and culture, starting work on drafting the necessary agreements to guarantee investments, developing tourism and cultural exchanges, easing consular procedures, and exchanging governmental delegations.

This morning, Mr. Vrioni met and talked with the secretary general of the FAO [UN Food and Agricultural Organization]. After pointing out and assessing the FAO's assistance to Albania, the two interlocutors focused on the possibility of receiving continual aid in the future in the field of agriculture, genetics, agrozootechnics, etc.

The FAO representative made known to Mr. Vrioni the fact that the first FAO summit in the 50 years since its creation will be held in Rome in November 1996 and considered the Albanian delegation's participation in this summit to be valuable. [passage omitted]

French Fear U.S. Clash With Europe Over Bosnia

LD3006203795 Belgrade TANJUG in English 2019 GMT 30 Jun 95

[FBIS Transcribed Text] Paris, June 30 (TANJUG)—Washington and its European partners are about to seriously clash over the situation in Bosnia, which could lead to U.N. troops' pullout that would not be assisted by NATO, a French Defence Ministry official said Friday.

The official, who spoke to the press on the condition of anonymity, said the problem was that the United States backed Bosnian Moslem military activity, while European countries remained neutral.

If European countries remained on one side and the United States on the other, that would be tantamount to an earthquake hitting NATO, he said.

The French official said U.S. reserve officers, including retired generals, acted as advisors to both Bosnian Moslems and Croats.

Despite relevant U.N. resolutions, Bosnian Moslems have been supplied with new uniforms and M-16 automatic rifles, while Europe is wondering where they have come from, he said.

He said a rift between the United States and Europe could tie U.S. President Bill Clinton's hands in preventing Congress from exempting Bosnian Moslems from the 1991 U.N. arms ban on all of the former Yugoslavia.

The French official said Europe's U.S. friends should realise that the peace plan must be backed. He said it was not in the U.S. interest to strain relations with European partners or to plunge NATO into a crisis.

European partners do not back requests by NATO commander for southern Europe, Admiral Leighton Smith, to launch air strikes against Bosnian Serb anti-aircraft missile lines, he said.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

He said Smith was wrong to request air strikes because that would reduce chances of resuming peace talks, would push the international community into a situation similar to that during the hostage crisis and plunge it into a war with Bosnian Serbs.

European governments are very much against it, he said.

The French official said European countries believed that Bosnian Serb authorities were ready to accept the peace plan that they had failed to agree to, while the Sarajevo Moslem government wanted more military and diplomatic successes.

He said that was understandable, but said Moslems troops did not hesitate to open artillery fire from hospital yards.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Kosovo's Rugova Arrives for Talks With Berisha

AU0107184695 Pristina Kosova Daily Report in English 29 Jun 95

[FBIS Transcribed Text] As reported, President of the Republic of Kosova Dr. Ibrahim Rugova met yesterday in Tirana with Albanian President Dr. Sali Berisha. They exchanged views on the situation in Kosova and the achievements of President Rugova's recent visits to Spain and the U.S.A. President Rugova arrived yesterday in Tirana, capital of Albania, after high-level meetings with Spanish and American officials.

Asked by an Albanian Radio and Television reporter to comment his visit to the United States, at the invitation of Secretary of State Warren Christopher, Kosova president said: "I had a very significant visit to the U.S.A. and a highly successful meeting with U.S. Secretary of State Christopher. We exchanged views on a variety of issues in the region, focussing on the Kosova issue." President Rugova went on to say that Christopher assured him he followed the situation in Kosova closely. "He assured us the 'Christmas Warning' (to Serbia) of President Bush and President Clinton that they would not allow a conflict in Kosova stands," President Rugova said.

Speaking about the meetings he had with senior American administration officials and Congress leaders, among whom with Senate Majority Leader Senator Dole, Dr. Rugova noted the contacts of Kosova with the U.S.A. have now become regular. Kosova will have the continued American support and assistance, he remarked.

Asked to comment on his meeting this month with Spanish Foreign Minister Javier Solana, President Rugova said the Spanish diplomat said he followed closely the situation in Kosova and that he would press for the settlement of the Kosova issue. In all the meetings, I stressed that respecting the political will of the people of Kosova for independence, freedom, and democracy is the key to the resolution to the Kosova issue, President Rugova pointed out.

Berisha Departs for World Summit in Valais

AU0107170395 Tirana Radio Tirana Network in Albanian 1230 GMT 1 Jul 95

[FBIS Translated Text] Sali Berisha, president of the Republic of Albania, this morning departed for Valais in Switzerland to attend the international summit, which has been organized there for several years and is attended by the world's top political and economic representatives.

Prime Minister Aleksander Meksi and other government members were out at the Rinas Airport to see President Berisha off.

'Cause for Rejoicing' in Improved U.S. Relations

AU0307073895 Lezhe KOHA JONE in Albanian 2 Jul 95 p 3

[Article by Prec Zogaj: "Albanian Week—Thank You to the Council of Europe"]

[FBIS Translated Excerpt] [Passage omitted]

An Epoch-Making Upheaval

U.S. Predator pilotless spy planes will start high-altitude flights over Bosnia next week, taking off from the airstrip at Gjader in Lezhe District. About 100 U.S. servicemen and specialists have now arrived at Gjader in order to collect and use the spy planes' data. This event has generally been commented neutrally by the press, even though there have been comments here and there in the old style, as if Albania were selling her independence to the Americans, etc. Liberal political forces are in the meantime finding an opportunity to articulate their desire to see the U.S. military presence in Albania increased to the point of establishing bases like in Italy, Greece, etc.

The deployment of a few aircraft may be small nourishment to such hopes that arise out of the European-Atlantic thrust of Albanian policies and Albania's geopolitical position. However, the stationing of these aircraft has special importance in itself. It reaffirms the good relations between our country and the United States, especially in the military sphere. Second, Albania is making its own modest contribution in the ranks of the countries committed to the cause of Bosnia.

Beyond this commitment, which offers no provocation to any Balkan country, we can see an epoch-making upheaval in relations between Albania and the United States. It is indeed amazing. The United States was so anathematized by communist Albania that one imagined that it would take whole decades to gain the Americans' confidence. Yet relations have progressed very fast, as has mutual trust. This is cause for rejoicing.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Russia's K[illegible]yrev Meets Klaus, Praises Relations

LD0207140[illegible]5 Prague Radiozurnal Radio Network in Czech 2100 GMT 1 Jul 95

[FBIS Translated Excerpt] Czech Prime Minister Vaclav Klaus met Russian Foreign Minister Andrey Kozyrev at the World Economic Forum in Crans Montana in Switzerland this evening. Our special correspondent Miroslav Konvalina reports:

[Konvalina] [Passage omitted] In an exclusive interview for Czech Radio and Czech Television, Andrey Kozyrev said that, in his view, Czech-Russian relations are very friendly, especially with Prime Minister Vaclav Klaus. The Russian foreign minister went on to say that East European countries, including Russia, need to be an example to each other as regards their economic reforms and privatization in order to prove that there is no chaos or vacuum in these countries. Both for us and you, this serves as proof of success and of our ability to tackle problems as they arise, he said.

At a news conference before his dinner with the Czech prime minister, Andrey Kozyrev expressed his conviction about the irreversibility of Russia's democratization process and market economy. He also spoke out in favor of a political solution to the conflict in Bosnia and refused to comment on Brussels' plans to enlarge NATO.

Vaclav Klaus also met Iranian Foreign Minister 'Ali Akbar Velayati today to discuss economic cooperation. However, there was no detailed information available about this meeting.

French Pullout Delays Refineries' Privatization

AU0107150995 Prague MLADA FRONTA DNES in Czech 29 Jun 95 p 1

[Article by "(ina, rez)": "The Foreign Companies' Entry Into the Petrochemical Industry Is Being Delayed"]

[FBIS Translated Text] Prague—The French Total company, one of four that were supposed to take part in the privatization of the domestic petrochemical industry, has abandoned its involvement in this transaction just before the government was to make a decision on it.

Therefore, the government was yesterday unable to discuss the Unipetrol firm's framework agreement with the foreign IOC consortium in which, following Total's withdrawal, Agip, Shell, and Conoco remain.

"Total's decision was unexpected. Neither we nor the partners in the consortium knew about it," declared Prime Minister Vaclav Klaus. The government has postponed the discussion on the framework agreement on the entry of the remaining companies until 7 July.

The representatives of these companies, however, have until tomorrow to inform Trade and Industry Minister Vladimir Dlouhy in writing of whether they will able to begin negotiations immediately on changing the agreement following the withdrawal of Total.

According to one government member, who does not want his name published so that he is not accused of influencing the talks with the IOC consortium, the negotiations with the consortium may be being protracted deliberately so that the Russian mafia can take over the petrochemical industry.

In the event that the foreign companies withdraw from the agreement, Minister Dlouhy will have to put forward a new solution and thus also create scope for the so-called Czech way that was rejected by the government last year because of the suspicion that it was linked to the Russian petrochemical industry.

Dlouhy is, however, convinced that the consortium will be interested in entering into the refineries even without Total. This was confirmed by the IOC consortium's spokesman, Ales Soukup. According to him, the three-member IOC will guarantee the necessary investment of 13 billion korunas.

Army Order Causes Problems for RDP Group

AU3006143795 Prague MLADA FRONTA DNES in Czech 29 Jun 95 p 2

[Article by Jaroslav Kmenta: "The Army's Order Has Polarized the Interests of the Arms Manufacturers' Consortium"]

[FBIS Translated Text] Prague—The selection procedure for one of the most lucrative Army orders, modernizing the T-72 tank, has caused tremors in the only arms manufacturers' consortium in the Republic—the RDP Group.

That is, some engineering enterprises that are shareholders in this arms consortium, instead of being united, have become divided in their endeavor to win this important order.

At the same time, during its establishment two years ago, the RDP Group committed itself to coordinating domestic military hardware production and to taking part in reequipping the Army.

The engineering giant Skoda Plzen, which is regarded as one of the biggest and most prestigious shareholders in the RDP Group, has attacked the regularity of the selection procedure in an attempt to eliminate a rival, the Israeli Nimda company, from the competition.

"Obviously, it does not matter to Skoda that it is throwing the RDP Group itself overboard because it

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

also has problems with the delayed bank transfer of the financial security [the basis of Skoda's accusation against Nimda]," a senior army official said. "Skoda is dumping the entire shareholding company for the sake of its own success," he added.

RDP Group Director General Viktoria Hradska said—through her secretary—that Skoda Plzen's allegations are correct. Nevertheless, officials from the arms manufacturers' consortium did not want to say whether the Plzen company's course of action has placed the RDP Group in a troublesome situation for nothing.

Hradska's adviser, Jaroslav Hudec, who is also Skoda Plzen's press spokesman, is refusing to comment. "I will not discuss the RDP Group with you. If you mention the RDP Group, I will hang up," he said during our telephone conversation.

Moreover, for the selection procedure, the Israeli Nimda company is associated with the domestic firm Praga Praha, which is also a shareholder in the RDP Group. That is, Praga is standing against Skoda, its colleague from the shareholding company, in the selection procedure.

The Ministry for Economic Competition will decide the fate of the selection procedure because, by law, only it can review the entire contentious situation. The ministry has three options. It can acknowledge Skoda Plzen's objections and eliminate Nimda and its partners—Prague-based Praga and the U.S. General Motors company—from the game. Of course, the RDP Group and the Metro Blansko, Denel, and S.A.B.C.O. firms would also have to leave the competition for the same reasons.

However, [Economic Competition Minister] Belehradek's office does not yet have to acknowledge the reservations expressed by Skoda's chief, Lubomir Soudek, and the firms can remain in the competition, or it could eventually call off the entire selection procedure. A new procedure would then have to be announced.

"In any case, no matter what happens, I have understood in this case that the RDP Group's function as a coordinator of arms manufacturing is not going to be all it was cut out to be. We put 1 million korunas into the RDP Group as a foundation for its activity. But it is more a kind of advertisement for us. I do not feel that the RDP Group could be an umbrella body. When orders worth billions are involved, cooperation falls by the wayside," said a representative of the arms manufacturers' consortium yesterday.

Article Views Unresolved MiG Modernization Issue

AU3006143895 Prague LIDOVE NOVINY in Czech 28 Jun 95 p 5

[Article by Jan Gazdik: "The Weaknesses of the Czech Defense Policy"]

[FBIS Translated Text] Another postponement of the modernization of the 24 antiquated MiG-24 jets to which the parliamentary Security Committee forced the Defense Ministry last week is an unfortunate solution. One of the convincing arguments in favor of this modernization (recognized even by radical opponents of this step) is the endeavors of the Army bosses to raise the declining fighter air force by means of a more efficient machine—at least regarding top-quality data transfer, satellite navigation, and perhaps the armaments system. The problem is that the Czech Air Force is fast approaching the situation when a bad decision may be better than none at all. Another postponement of the modernization only intensifies this "agony" (almost one-half of the Army MiG-23's and MiG-21's are out of service for various defects) and even casts doubt on the original intention of the refurbishment of the Air Force.

If the electronic reequipment of the MiG's were eventually called off after all, the $135 million could be invested in the repair of the dozens of decommissioned jets and helicopters, the collapsing fuel management at the air bases, and the medieval living conditions of the land personnel. These funds could also be used for the purchase of efficient telecommunication equipment or for the language and expert training of the Air Force management. The warning that the purchase of the supermodern, and also superexpensive aircraft, which is expected in the Czech Air Force at the beginning of the next millennium, does not make any sense without a preceding appropriate preparation of the technical and operational background sounds more than convincing. Otherwise, the Czech Air Force will be in the situation of a learner driver who, in his enthusiasm, bought a Formula 1 car and does not know what to do with it. So, it may be really better to spare the State Treasury and the MiG's, whose life expectancy ends in 2005, and to let them serve until then with just the necessary communication modifications.

After all, even the head of the military Air Force, General Pavel Strubl, admits that the modernization of the conceptually antiquated fighter that is several generations behind in comparison with the F-16 or MiG-29 aircraft (all the neighboring states are equipped with them) is not the best option for the refurbishment of the Air Force. Nevertheless, he claims that an electronic modernization of the MiG (which would be

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

accompanied by an overhaul of the engine and the airframe) is a possibility that would keep in training jet pilots capable of controlling a top-quality system of data transfer. In addition to partially bolstering the strike force of the Czech fighters, this step could prepare the struggling pilots for the new-generation aircraft that the Army cannot afford at this time.

The objection that the defense capability of the country does not depend solely on a well-trained army has some weight in the controversial discussion on the sense of the fighter modernization (and not only them). It is at least equally conditioned by the standard of the industry capable of manufacturing quality armament systems. The MiG modernization would certainly mean the arrival of advanced technology in Czech aviation industry. Therefore, the reproach that the deputies addressed to the Army, that they cannot accept the arms manufacturers' profit-making on the defense readiness of the country, does not cut the mustard—particularly in view of increasing government support for the production and exports of wholly privately owned (as opposed to the Czech ones) arms manufacturers in the United States. Not only do the enterprises benefit from the arms manufacture (which has always been tops in engineering), but also the State Treasury and the standard of industry of that state.

Conversely, the deputies do not at all mind that the contemplated arrival of the state-of-the-art manufacturing and measuring technology would take place separately from another, far more important, modernization project—the L-159 lightweight combat aircraft, on the development of which the U.S. firm Rockwell is cooperating with Aero Vodochody. If the MiG's were modernized (the order is solicited by the Israeli IAI arms manufacturer, for instance), the Army would own two different types of electronic systems and their technical and measuring bases. The Czech corps of generals expects 72 L-159 combat aircraft to form the core of the Air Force in 1998-2005, but this should be logically accompanied by the so-called complementary step of the modernization or purchase of a small number of supersonic aircraft operating in cooperation with the L-159.

The constantly postponed modernization of the MiG's and the quite controversial discussion on whether it is going to take place and how to make effective use of dozens of millions of dollars if it does not reveal the weaknesses of the Czech defense policy. Although the country's military strategy defines the risks threatening us, it seems we do not have the strength to take the next, purely practical step. We are not in the position of Israel; nonetheless, the existence of that country's government arms policy coordination committee, SIBAT, which participates in the strategy planning for the army technical development and the country's arms industry, has its justification. There is too much at stake: astronomical sums of money, the standard of engineering, employment, and especially an effective defense of the country.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Prime Minister Assesses Meeting With Pope

LD0107195895 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1630 GMT 1 Jul 95

[FBIS Translated Excerpt] Pope John Paul II's agenda for this afternoon included 65 minutes reserved for a meeting with Slovak President Michal Kovac and Slovak Prime Minister Vladimir Meciar. Their talks took place at Primate's Palace in Bratislava. Ludmila Bulakova reports from there with the latest update:

[Bulakova] [Passage omitted] Prime Minister Vladimir Meciar assessed his talks with Pope John Paul II at an impromptu news conference held for selected journalists:

[Begin recording] [Meciar] Our talks today were a continuation of the talks we started in Rome [April 1995]. [passage omitted] We tackled issues concerning relation between the state and the church, especially the state's intention to conclude agreements on this relationship as soon as possible and to an extent that would be most appropriate. These agreements are often supported and drafted by the Vatican, but our domestic officials do not always accept them [as heard]. [passage omitted]

[Unidentified correspondent in Czech] Have you discussed the political situation in Slovakia?

[Meciar] There was no reason to do so. We only dealt with issues relating to faith and the church. [passage omitted]

[Unidentified correspondent] You mentioned that you discussed the state-church relationship. What is the Holy Father's view on the matter?

[Meciar] His view is the same as that of His Eminence Cardinal Sodano. He believes there is no need for another concordat and that, generally speaking, concordats are not good. Cooperation agreements should be concluded between individual ministries and the Conference of Bishops. Agreements that will have broad powers will have to be ratified by Rome. His Eminence Cardinal Sodano was quite clear about this. This is a new element, and we hoped that it would be developed in more detail here in Slovakia. Obviously, some time is needed so that the bishops can prepare for such a step. The government is ready to conclude such agreements by all ministries. [end recording]

Commentary on Meciar's Foreign Policy

AU0107151095 Bratislava NARODNA OBRODA in Slovak 29 Jun 95 p 3

[Commentary by Ivan Horsky: "Ticks of Slovak Foreign Policy"]

[FBIS Translated Text] The foreign policy of Meciar's third Cabinet is slowly starting to assume clearer contours. It seems that it is beginning to move closer to the foreign policy of Meciar's second term in office in late 1992, early 1993. At the same time, it is interesting to observe what role is played, once again, not only by diplomatic considerations, but also by the personal parameters [parametre] of some protagonists of our political scene.

With his visit to France and the Principality of Monaco, which is linked to France by an umbilical cord, Vladimir Meciar has once again confirmed with what seeming mastery he is able to change course. In doing so, he is exploiting existing rivalries among some EU members, which, however, at least in relation to Slovakia, could eventually turn out to be only seeming rivalries and which, in the final analysis, could turn out to be outright counterproductive from the viewpoint of Slovakia and its interests.

But let us not talk in allegories and allusions.

The very fact that the new French president, Jacques Chirac, found in Cannes time only for a meeting with the Slovak delegation is more than telling. While no far-reaching conclusions can be drawn from this, it clearly bears out a certain shift in Paris's approach to Bratislava after the change of guard in the Elysee Palace, whose previous resident's attitude toward Vladimir Meciar was more than reserved. Moreover, he [Francois Mitterrand] proceeded from the realization of the Slovak Government chief's greater attachment to Germany—not only emotionally but, first and foremost, in interests. Meciar's attitude toward the presentation of French political and economic interests shortly after the declaration of Slovak independence, during the visit to Bratislava by Roland Dumas, the chief of French diplomacy at that time, must have convinced him in this realization.

The foreign policy ticks [tiky] of the triple Slovak prime minister, characterized this time by a certain cooling of relations with Bonn, have both an emotional aspect and a rational core. Vladimir Meciar has apparently decided to play the French card because he believes that the FRG Government is not taking him seriously and is trying by all means to find mistakes and cosmetic defects even where there are not any. To a certain extent, he is also dissatisfied with the fact that, to this day, he has not received an official invitation to Bonn for

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

talks with Chancellor Helmut Kohl. He and government representatives have already made this dissatisfaction known, and not just on the diplomatic level.

Therefore, one cannot be surprised at the decision of Paris to enter this relative vacuum with the aim of strengthening its positions in Central Europe, where Germany, supported more or less by the United States, has been the clearly dominant power thus far. I dare go even further. To a great extent, though not absolutely, France surely finds sympathetic the nationalistic rhetoric used by the leaders of the Slovak coalition in defending domestic interests, a rhetoric that is not so different from that used by Paris. One just has to think of the protection of domestic industry or of the language law and the protection of the language against foreign influences (including inspectors handing out fines), to say nothing of the similar understanding of the central role of the state and the role of the first man in the state in the presidential regime, after which the soul of the Slovak prime minister hankers so much, even though he does not admit it in public.

Vladimir Meciar does not want to cut off his links to Germany, however. He has only changed his tactics, redirecting his advances away from Bonn to the level of the federal laender that, for one reason or another, are interested in expanding contacts and cooperation with Slovakia. While the representatives, or delegates, of Saxony and Lower Saxony were here, no deeds have been forthcoming thus far, only nice-sounding words. A delegation of Bavarian deputies, including Minister-President Edmund Stoiber, is about to visit Bratislava soon to manifest the special nature of relations between Munich and Bratislava.

While Bavaria has an exceptional interest in improving relations with countries lying downstream on the Danube and becoming economically involved in them, its regional influence should not be overestimated. After the unification of Germany, in particular, the relative weight of Bavaria has strongly declined, a decline that will continue with the capital moving from Bonn to Berlin. Logically, the Christian Social Union government in Bavaria is trying at least to halt this process through regional cross-border policy and, moreover, to raise the political price for its support of Kohl's present coalition.

Because no one can predict at this moment what kind of government will be in power in Bonn in 1998 when the enlargement of the EU starts being seriously discussed, Vladimir Meciar has decided to bank on Paris. Only time will show whether his calculation will turn out to be correct, or whether it is another instance of playing his by now classic [illegible] of robbing Peter to pay Paul. At any rate, the [illegible] German tick of his policy is more than obvious. In the final analysis, this need not bring Slovakia many trump cards in its negotiations on joining the EU and, in particular, NATO, where Paris, in view of its nonparticipation in the pact's military organization, does not have nearly as much say as Bonn.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Kovacs Optimistic About Romanian Relations

AU3006165595 Budapest NEPSZABADSAG in Hungarian 30 Jun 95 pp 1, 3

[Interview with Foreign Minister Laszlo Kovacs by Pal Lederer in Strasbourg on 29 June: "Small but Important Steps: Kovacs on the EU Summit and Hungarian-Romanian Relations"]

[FBIS Translated Text] In spite of the large number and great significance of open issues, after the Cannes meeting of Hungarian Prime Minister Gyula Horn and Romanian President Iliescu, Foreign Minister Laszlo Kovacs again sees the prospects for signing the Hungarian-Romanian basic treaty to be promising. In July, Kovacs and his Romanian counterpart will try to bridge the apparently still serious differences of views. Kovacs, who was in Strasbourg on 29 June as the Council of Europe's guest, gave an interview to our correspondent.

[Lederer] The West European press deems the results of the Cannes EU summit rather slim. What is the balance from a Hungarian viewpoint?

[Kovacs] We were not disappointed with the summit because we had no unfounded expectations. In our view, it is an achievement that high level meetings of the leaders of the 15 EU member states and the 11 associated states have become regular. The meeting gave us an opportunity to assess the experiences of the past six months of France as EU chairman and to provide information to them on what Hungary did during this period to get closer to the EU and meet the membership requirements. The summit also gave us the opportunity to explain our expectations for the next six months when Spain is chairman.

[Lederer] Has Cannes brought any concrete results for Hungary?

[Kovacs] A decision was made that the EU would support the establishment of EU conformity in the East and Central European countries through the PHARE [Economic Reconstruction Aid for Poland and Hungary] program with almost ECU7 billion between 1995 and 1999.

[Lederer] Is this more or less than what was expected?

[Kovacs] Compared to the needs, this is not a large amount, but it is certainly a possibility to be used. It is an important factor that the union links these sums to concrete projects and open bids; therefore, it depends on the various requesting countries to what extent they can use this offer.

[Lederer] You mentioned that the Hungarian expectations have been formulated in connection with the next presidium. Could we have some details about this?

[Kovacs] At the meeting of heads of states and governments, Horn said that we would like the talks on Hungary's membership to be held as soon as possible after the intergovernmental conference in 1996. We expect the talks to last some one and a half to two years, and the decisions closing the talks will have to be confirmed by the parliaments of the member states, which will definitely take more than a year.

[Lederer] To what extent did the Horn-Iliescu meeting further the cause of the bilateral basic treaty?

[Kovacs] It was agreed that the improvement of bilateral relations is in the interest of both countries; therefore, further efforts will have to be made for the basic treaty. For this reason, it was agreed that a foreign ministerial meeting will be held in July to try to bridge the open issues.

[Lederer] What are the prospects?

[Kovacs] Compared to the Romanian attitude at the last expert talks, Iliescu represented a much more flexible and compromising approach. However, we still have to work out the concrete formulas and the compromises that can be acceptable for both sides.

[Lederer] It might be useful to mention the open issues.

[Kovacs] One is the inclusion of Recommendation No. 1201 of the Council of Europe's Parliamentary Assembly as a legal norm in the treaty together with other international documents. At the expert talks, the Romanian side firmly rejected this, while in Cannes Iliescu did not exclude this possibility, providing that we find a mutually satisfactory method for it. The use of the mother tongue is another open issue. The Romanian side does not accept the definitions which, in our view, meet the international norms, and which are actually part of the Hungarian-Slovak basic treaty. In connection with this, Horn mentioned the education law and emphasized that, regarding the education of national minorities in their native language, it means a step backwards compared to the current situation. The third open issue is the national minorities' right to set up and run political parties, which the Romanian side rejects, claiming that this cannot be part of a bilateral agreement. We consider this necessary, with respect to the fact that Cluj Mayor Funar, leader of one of the coalition parties, is almost every week demanding the banning of the Democratic Union of Hungarians in Romania [RMDSZ—UDMR in Romanian]. Finally, the issue of the supervisory mechanism is an open question because, at the moment, the Romanian side refuses to agree to a bilateral joint committee to supervise adherence to the basic treaty, while we, referring to the Hungarian-Slovak basic treaty among others, are insisting on this.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Horn again indicated that we cannot regress compared to the essence of the section on national minority rights in the Hungarian-Slovak basic treaty. If the Hungarian-Romanian basic treaty was inferior to the Hungarian-Slovak document in respect of national minority rights then this would make the Slovak Government's situation very difficult and would possibly make ratification of the treaty by the Bratislava government impossible.

[Lederer] Iliescu emphatically said that a solution has to be found which can be equally acceptable for both sides and both parliaments. What does this mean?

[Kovacs] For me, this indicates that governmental and parliamentary power conditions in Romania are less favorable than in Hungary for accepting a basic treaty that is in accordance with European norms.

[Lederer] According to your information, is the Hungarian Government's stance on the issue of the basic treaty acceptable for the RMDSZ?

[Kovacs] After the signing of the Hungarian-Slovak basic treaty, RMDSZ Chairman Bela Marko said that an agreement like this would be satisfactory for the Hungarians in Romania. Naturally, we expect certain doubts to be raised by the Hungarians in Romania in connection with the treaty and especially its implementation. However, we are certain that a treaty made and filled with content in the way I have outlined will ensure extra rights compared to the current situation, and also establish international legal conditions for achieving such rights for the Hungarian national minority.

Finance Minister Bokros Interviewed About Economy

LD0207221595 Budapest Duna TV in Hungarian 1600 GMT 2 Jul 95

[Studio interview with Hungarian Finance Minister Lajos Bokros by program host Laszlo Szabo; from the "Weekly Courier" program—live]

[FBIS Translated Excerpt] [Szabo] Good evening, dear viewers. Welcome to you and Finance Minister Lajos Bokros, who is our studio guest in "Weekly Courier" tonight. [passage omitted]

[Szabo] One of our viewers has pointed out that a few days ago the finance minister said that the Constitutional Court's decision on the legislation regarding the government's austerity package was not well-founded, because the Constitutional Court has no right and obligation to make decisions on economic policy issues. What is your opinion about the Constitutional Court's ruling?

[Bokros] First and foremost, I would like to make it clear that, naturally, as a government member and as a citizen, I have taken cognizance and respect the Constitutional Court's ruling. This, however, does not mean that I cannot form an opinion about it. My view—what I have already said—is that there were economic policy considerations behind the Constitutional Court's ruling and these considerations, in my view, do not fall under the authority of the Constitutional Court. [passage omitted]

I think that the four rulings by the Constitutional Court include at least two points where not the decisions themselves, but their urgency has been proved to be unconstitutional, according to their judgement. In this sense, the Constitutional Court did not declare the curbing of social provisions null and void, it only postponed their introduction. [passage omitted]

[Szabo] What will happen now, following this ruling by the Constitutional Court? According to estimates, this constitutes the loss of about 30-40 billion forints. Where can this money be found, and what is the exact size of the loss of revenue?

[Bokros] I would not like to give final figures yet. Experts are still working on calculations in order to see clearly the consequences of this decision. At the same time, I think that the government has the right and obligation to maintain the original aims and ideas of the stabilization program. At the upcoming government session on Thursday [6 July] we will propose additional measures that will lead to the same [budget] saving of about 35-40 billion forints.

[Szabo] The Constitutional Court's ruling also implies that the supplementary budget will again have to be amended. Zoltan Gal [speaker of parliament] has said that it is likely that an extraordinary parliamentary session will have to be held this summer. Is this likely to happen?

[Bokros] I agree with Zoltan Gal. I also said at the parliamentary group session of the Hungarian Socialist Party on Friday [30 June] afternoon, that our summer vacation is not likely to be undisturbed. [passage omitted]

[Szabo] Why this urgency? The Constitutional Court has given a deadline of 300 days for certain measures.

[Bokros] This is exactly the problem. We do not have 300 days left. In my view, the budget deficit has to be significantly reduced as early as this year. [passage omitted] We cannot afford a budget deficit larger than six to 6.5 percent of the GDP, and not because we would not like to spend more than that—for there are very important projects to be financed—but simply because they cannot be financed. [passage omitted]

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

[Szabo] Let us now talk about the main problems of our economy. The problems most often referred to are the internal and the external debt, as well as the too large distribution of the GDP by the budget. In your opinion, which of these three problems is now the most serious one for us?

[Bokros] I think that in the short term we must definitely give absolute priority to restoring the external balance, as Hungary's gross debt has now topped $30 billion. With this we are in fact by a long way at the top of the list in Central Eastern Europe in regard to the pro capita debt. This is so of course even if in the meantime Hungary's export potential has fortunately increased to such an extent that the servicing of this debt—namely the repayments and the interest payments—is causing fewer difficulties than five years ago. In other words, this burden has diminished in its proportions. [passage omitted]

[Szabo] The view expressed by many is that we should quite simply reschedule this external debt, or that we should give up the idea of ever repaying it. What is your opinion about this?

[Bokros] My opinion, naturally, is that there can be no question of this. Here I would list not so much the economic political arguments, but those social and even moral arguments to which many people are more receptive than they are to long-winded economic calculations. Let us just consider: The biggest part of this external debt is also mirrored in the internal debt. To a significant extent, overspending by the budget can now only be financed through the issuing of state securities. Everybody buys these state securities. [passage omitted] Let us just think what a great outcry there would be if from one moment to the next the state were to say: Let us forget this debt; we will not repay it; or if the state were to say: We will not pay the interest on it because we cannot. The same logic makes me say that the foreign debts must also be repaid. For Hungary's foreign debts are, first and foremost, embodied in bond investments, bonds that were purchased by Japanese housewives, German housewives. Let us just imagine what pressure these housewives will exert on the German and Japanese Governments. Will they agree to the Japanese or German Government thereafter giving as much as one yen or one German mark to Hungary for procuring even those goods that are necessary for its subsistence? [passage omitted]

[Szabo] You said that to be able to receive loans we very much need the confidence of the foreign banking system. What is the assessment of Hungary today? I am thinking particularly here of the IMF.

[Bokros] I think that Hungary's assessment has improved a great deal in the period that has just elapsed. There is no contradiction here with the fact that as yet we have been unable to conclude any kind of agreement with the IMF. The most important reason for this, incidentally—the reason why we have been unable to do this, is I think also of interest to the viewers. When, on 5 June, the prime minister had lunch with the IMF's managing director, then the IMF's managing director unequivocally said that unfortunately the Hungarian Governments, the Hungarian Governments over the past three to four years, did not fulfill any of the promises that they themselves had undertaken. This resulted in a confidence gap between the international financial world and the Hungarian Governments of the time, a gap that is so big that it cannot be erased by a single package of measures, such as the one issued on 12 March, no matter how well put together. The IMF naturally was very happy and expressed its recognition not only for the fact that the Hungarian Government had announced this package of measures on 12 March, but also that parliament adopted it. I think that from this point of view it will be somewhat of a backward step that the Constitutional Court has removed a number of elements from this package. [passage omitted]

[Szabo] A question we have received in connection with the internal debt is how it could be settled in the near future. It must be mentioned in this connection that, in the last three years, the amount of this debt has tripled. What can this be attributed to?

[Bokros] The question is very simple. The reason behind any growth in state housekeeping is that a terribly high degree of overspending, deficit, has developed in the state housekeeping. This deficit has increased in the past three to four years. This applies not just to the central budget, but also to the social insurance funds, as well as to the local governments, which also form a part of the so-called state housekeeping. I think that the state housekeeping deficit must at all events be reduced in order for us to be able to halt the growth in the state debt. [passage omitted]

On the other hand, the main task is obviously to reduce inflation. The reason why the inflation must be reduced is so that we might be able to reduce the interest expenditures embodied in the budget deficit. [passage omitted]

[Szabo] What kind of conclusions have you drawn from your severance pay matter?

[Bokros) I do not think I have to feel ashamed about anything or regret anything either from a legal or moral viewpoint, and there are a lot of people who think the same, despite the amount of criticism I received in the

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

press and parliament. Since I am not such a beginner in politics as to know exactly how much a severance pay of 16 million forints—although it is only a net amount of 8 million—can irritate a lot of people, I set this sum aside on the bank account of the Scholarship Foundation at the time when this matter was not made public yet.

I can only say, that everybody should follow this example: Deserve such a sum of severance pay—try to save the Hungarian state by rehabilitating a large company—and then, when they receive this money, make a decision like I did. Over the past three and a half years I have set aside about 20 percent of my—undoubtedly not low—banker's salary for charity purposes. It has been against my taste to show it off, or to make this fact public, but now, following these attacks, it was important to say. [passage omitted]

[Szabo] How do you feel about and respond to the decline in your popularity? [passage omitted]

[Bokros) I am not particularly concerned about it. On the one hand, I think that a finance minister cannot be popular in any circumstances. [passage omitted] I think that this trend can be reversed, and the results will qualify me, eventually. [passage omitted]

[Szabo] We have a viewer's telephone question concerning restrictions this year.

[Begin recording] This is Karoly Matoc speaking from Novi Sad. I would like to ask Mr. Bokros how support for Hungarians beyond the borders is affected by the restrictions in Hungary. This is all I wanted to ask. [end recording]

[Szabo] I would like to add that these restrictions affected our television as well, since 400 million forints have been frozen. [passage omitted] What can we and Hungarians beyond the border expect?

[Bokros) I would certainly like to reassure Hungarians beyond the borders. It is not a government intention at all to cut back—neither in an absolute nor in a relative sense—expenditure that is aimed at their support. [passage omitted]

[Szabo] How this long-term program will look—this is where we were interrupted.

[Bokros] [Passage omitted] Here and now the main tasks is to dismantle the paternalistic state, the caring state, in which people are not directly interested in maintaining the educational and health care institutions, pension systems, and other social welfare systems, which are aimed at securing their future. I think that these are the fields where the most radical reforms are needed. [passage omitted]

[Szabo] One more personal question: Quoting Laszlo Lengyel, the finance minister is a continuing cost in Hungary now. How do you see your own future?

[Bokros] I think that, sooner or later, I will also be hit by an automobile, in a sense that my career as a finance minister will come to an end. However, I am not thinking about this, not planning my future, and do not even consider it as a risk, because this task is exclusively an intellectual challenge and a kind of moral obligation for me. I can easily give it up at any time. However, until this time comes, what I am thinking about is not this question, but the way this country can be saved from a financial crisis. [passage omitted]

Chairman Gal Sums Up Year's Legislative Work

AU0307085795 Budapest MAGYAR NEMZET in Hungarian 30 Jun 95 p 7

[Interview with Hungarian Parliament Chairman Zoltan Gal by Hajnalka Cseke; place and date not given: "Course Speech Silences Dialogue"]

[FBIS Translated Excerpt] [Passage omitted] [Cseke] You said the coalition parties did not make full use of the frameworks of parliamentary debate. Instead, they used their power for coordination behind the scenes, for lobbying. Do you still hold this opinion?

[Gal] Yes, although I receive a lot of criticism for this. But I say all this precisely in the interest of parliamentarism. The task of the governing parties and the groups of deputies in Parliament is to participate in shaping the cabinet's general policy, rather than to engage in governing and administration. I would like to hear many good speeches from them. I noticed that certain ministries submitted proposals that were not sufficiently prepared, because they thought they would be able to correct them in the course of the coordination activity with the governing party groups in Parliament.

[Cseke] Did the Bokros-package upset the legislative schedule?

[Gal] It is not worth denying the fact. I think it is an illusion to determine the exact schedule of legislative activity well in advance. The stress is now on the stabilization program, and this will continue for a long time. [passage omitted]

[Cseke] Do you regard the cooperation of the two coalition parties as satisfactory?

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

[Gal] The two parties have already done a lot together, so neither of them can now leave the coalition. Also, both parties feel responsible for Hungary's affairs and they are aware of the fact that the reforms must be carried out. Despite the debates and passionate emotions, I think the two groups can cooperate well. [passage omitted]

[Cseke] What is your opinion about the Parliament's international relations?

[Gal] We have extremely broad contacts with practically all the world. We put particular emphasis on countries that, with their experience, can help Hungary in joining the EU. The recent North Atlantic Assembly meeting in Budapest was so successful that I still receive letters of thanks from U.S. senators. [passage omitted]

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Presidency Adopts War Budget, Amendments

AU3006141195 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1300 GMT 30 Jun 95

[FBIS Translated Text] The Presidency of Bosnia-Herzegovina concluded its session late last night. The session was presided over by [words indistinct] Alija Izetbegovic. The Presidency discussed the military and political situation in the country. In connection with this, the presidency members heard a report by Ejup Ganic following his several days long visit to [word indistinct] territories.

The Presidency concluded that the defense activities are being conducted according to plan [word indistinct] gradually widening the (?free) territories. Responding to a proposal from the Army General Staff, the Presidency approved the use of reserve units in the 5th Corps' theater of operations.

The Presidency also adopted the war budget for the period [words indistinct], confirmed the decree [word indistinct] amendments to the Law on Amnesty, and made several decisions concerning the dismissal, election, and appointment of some judiciary officials and the pardoning of some convicted individuals. The Presidency also discussed other matters that fall within its sphere of responsibility.

Plavsic Views Unification of Serbian Krajina

AU3006170595 Sarajevo OSLOBODJENJE (Bosnian Serb) in Serbo-Croatian 22 Jun 95 pp 6-7

[Interview with Biljana Plavsic, vice president of the Srpska republic, by Dusanka Stanisic; place and date not given: "The West Acknowledges Only Force"]

[FBIS Translated Excerpt] [Stanisic] You are known as a supporter of pan-Serbian unification. After the 51st session of the National Assembly, which approved the decision and passed the constitutional Law on the Unification of the Serb Republic and the republic of Serbian Krajina, the two western Serb states have never been closer to unification. How do you appraise that act in relation to the circumstances dictated by our surroundings?

[Plavsic] Very often it can be heard that this is not the right moment for unification. We are supposed to have missed the right moment, let it go by, and now we have to wait for something, or, for example, one of the arguments was that, if we united, the Croats would attack us. [passage omitted]

As for unification, in my opinion, none of the political arguments that are used are relevant. Unification is not a political issue at all. It is a moral issue. It is a national issue. From our experience we can only say that unification should have taken place much earlier. And contemplating whether or not this is the right moment is insane. There has been no better moment for the Serbs in their entire history. If we do not fulfill that national task now, it will an unforgivable mistake. [passage omitted]

[Stanisic] Those who oppose unification are not only those whom we see as our enemies in the classic sense; such tendencies also appear in the motherland of the Serbian nation. The authorities in Serbia were not very delighted about the expedited process of unification. You yourself are one of the sterner critics of the Serbian regime.

[Plavsic] You know, people used to be euphoric about Slobodan Milosevic. But, when I take a good look at all of this, I think it would have been better if he had not got involved at all, since he was not able to endure until the end. Because, when you join somebody and you plan something, then you should carry it out to the end; and if somebody deserts you in the middle of the journey, then that is much harder than it would have been had they not helped you at all, at the start. That is my opinion, because if we had not had his support at the very start, I think we would have behaved more wisely.

[Stanisic] In your opinion, is there a rational explication for such actions?

[Plavsic] They simply do not have the feeling that our nation is endangered here or that these are dangerous moments when the Serbian nation is threatened with destruction.

[Stanisic] Might there be some signs of a warming, of a greater understanding on the part of Belgrade for our situation, for the necessity of unification?

[Plavsic] The conditions in the FRY [Federal Republic of Yugoslavia] cannot explain such an hideous gesture that has been made to the people of the Serb Republic. There is strong pressure from the people on the regime there. I cannot pay any compliments to the regime, because this is really a huge disgrace. [passage omitted]

[Stanisic] You are often among the soldiers on the front lines. What is your motivation?

[Plavsic] I believe that their sacrifice is the greatest. They are the most important. We were able to come to the negotiating table, and still are, only because our soldiers managed to keep 70 percent of the territory of former Bosnia-Herzegovina and to defend it, because the West acknowledges only force, resoluteness, and perseverance, which could also be seen when that [U.S.] aircraft was downed. Well, we could have, and indeed

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

we should already have downed many more aircraft by now. [passage omitted]

[Stanisic] You have already said something about the consequences of the blockade. Are there any signs of, at least, a partial detente between Belgrade and Pale?

[Plavsic] You know, there are very few friends. One cannot relax. One has to have control, to hold one's destiny in one's own hands. We have been led by Slobodan Milosevic for two and a half years and you see how it ended. Actually it is lucky that we let go, because it would have been fatal. The philosophy that the sanctions and what goes on here should be put on the same scales, and (as is estimated) that we have to be amputated because of the sanctions...that is immature. Unification is a reflection of the maturity of a people: How is it that the Germans did not allow themselves to remain divided but we allowed ourselves to get into the state that we are in now? [passage omitted]

[Stanisic] There have been many long talks about the momentary crisis. Are there, in all those efforts, any positive signs?

[Plavsic] After all the talks, as a very important result, there is the fact that, no matter whether various peace plans are proposed, like the Vance-Owen plan, the Owen-Stoltenberg plan, and then the Contact Group plan, no plan will ever again suggest the existence of a united Bosnia-Herzegovina. That is a result of the talks that went on for two and a half years, even longer. Even the West, which does not favor us, has understood that Bosnia-Herzegovina can no longer be whole. That is a very important result. Bosnia will be divided—into two pieces or three—that remains to be seen. I hope, if there are some new offers, that they will take the factual situation as their starting point.

[Stanisic] Could the replacement of Owen by Carl Bildt be another attempt to revive the dead peace process?

[Plavsic] Carl Bildt, who took Owen's place, is a young man, and in my opinion that is good, just like the fact that he is right wing, it is good that he has always maintained good relations with the Russians. And I believe that this is a challenging moment for a serious politician. So many of them have already been replaced, and yet nothing has been achieved. I suppose that he, analyzing the mistakes that have been made up to now, will bring in a mechanism of his own. It seems to me that one of the propositions will be that the solutions should not be sought separately for Bosnia-Herzegovina and for Krajina, although some think that that would be better. In that case we would lose Krajina completely. If the issue of Krajina and the issue of the Serb Republic were solved together, I believe we could reach better solutions. I suppose that Mr. Bildt must have fresh ideas, which might be in the direction of an all-encompassing view of the problem.

Krajisnik: German Decision To Join RRF Hostile

LD0107172995 Belgrade SRNA in Serbo-Croatian 1638 GMT 1 Jul 95

[FBIS Translated Text] Sarajevo, 1 Jul (SRNA)—Momcilo Krajisnik, speaker of the Srpska republic asssembly, today said that Germany "has made a big mistake" in deciding to make a contribution to "the rapid reaction force [RRF]" in former Bosnia-Herzegovina.

"Despite all our attempts to understand this decision, we must regard Germany's participation as hostile, and thus shape our future actions," Krajisnik warned.

He recalled that the Serb republic "has on several occasions warned Germany" and that in a letter recently sent to Bundestag, it urged Bonn "not to make a precedent that could have catastrophic effects on the state of Serb-German relations."

"It is encouraging that Germany has not decided to send its land troops to former Bosnia-Herzegovina, but has decided to make a limited contribution to the 'RRF'" Krajisnik said and added "this, however, cannot solve all problems arising from its involvement."

The Serb assembly speaker stressed that the Serb leadership is still against the formation of "the RRF," and that it will not allow this force to be stationed on the Serb territory.

Krajisnik expressed hope that the role of this force "will be changed or corrected" and reduced "to humanitarian actions," adding that otherwise they could provide "a great impetus for the war to continue."

"If the war continues, we believe that countries—that instead of investing efforts in negotiations and diplomatic solutions, have concentrated their efforts on forming armed forces that will only lead to the continuation of the war—will bear responsibility for this," Krajisnik concluded.

General Mladic Ready To Take On Germans

LD0207223295 Belgrade SRNA in Serbo-Croatian 1603 GMT 2 Jul 95

[FBIS Translated Text] Sokolac, 2 Jul (SRNA)—Germany made a very unwise decision on sending its troops to Bosnia. I nevertheless look forward to taking them on, General Ratko Mladic, chief of staff of the Srpska republic army, said at today's St. Vitus assembly in Sokolac.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

General Mladic added that "he does not know how German soldiers can have the cheek to appear in these lands and what their mission is about," as he said that this German decision "represents the full harmonization of the anti-Serb coalition."

"This coalition, along with NATO, wants to realize, through the force of arms, its strategy of imposing its own order on the earth by force," the Serb general said in conclusion.

Reflecting on the latest Muslim offensive on Serb Sarajevo, the commander of the Serb army stressed that "the international community and the NATO pact tolerate the Croat-Muslim offensive in the protected zone of Sarajevo" and pointed out that they have been supporting it by launching air strikes against the Serbs.

"They have villified every attempt, including the smallest efforts, to protect our people in our area and punished it with bombs. Nine-tenths of the wider area of Sarajevo are Serb whereas only one-tenth is under Muslim control. Even in this part there is a considerable number of Serbs whom the Muslims have not managed to slaughter," General Mladic explained.

Mladic said that the Serb nation is in "some kind of a ghetto or an enclave" because that is what the international community wants and because of some monstrous decisions by the UN Security Council which deny the Serb nation's freedom of movement and the possibility to survive in this area, let alone anything else.

"What is evident now, after so much blood has been spilled and after so many years of war, is the fact that the foreign powers which started this war cannot be bothered to end it. Owing to this kind of attitude, a political solution has so far been impossible," General Mladic said.

He went on to say that "the international community cannot find a political solution because it has been siding with the Muslims and Croats in a biased manner from the very first day of the war, treating them as its proteges."

"This war has assumed such proportions that the international community should, in the name of peace in this area, and as soon as possible, help in stopping it and solving the contested issues between the warring sides by political means," General Mladic said in conclusion.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Valentic: Zagreb Not Preparing Offensive Actions

LD3006154795 Zagreb Radio Croatia Network in Serbo-Croatian 1500 GMT 30 Jun 95

[FBIS Translated Excerpt] The political and economic situation in Croatia, the war in Bosnia-Herzegovina, and especially the security of tourists in Croatia were the main topics discussed by Prime Minister Valentic and journalists from nine European countries at a meeting in Opatija. Tina Cubrilo reporting:

[Cubrilo] I came here to inform you personally about the current situation in Croatia and to ask you to take back to your countries objective reports about what I will tell you, said Prime Minister Valentic speaking to foreign journalists who turned up in large numbers. Speaking about the political and military situation, the limited action in western Slavonia and the enemy's shelling of Zagreb, Valentic said that there were many insinuations at the beginning of the civil war in Croatia, which caused huge damage to us, and especially to our tourist industry. In connection with that, Croatian Prime Minister Nikica Valentic stressed:

[Begin Valentic recording] I can guarantee you today, on behalf of the Croatian Government, that Croatia is not preparing and will not undertake any offensive military actions. Judging by the situation in our occupied areas, there is no serious danger that the Serbs could in the given situation carry out any offensive military action. Therefore, it is almost certain that there will be no military activity in Croatia. Of course, in addition to diplomatic and political efforts, Croatia must take care of its defense too, but we will do everything in order to reintegrate our occupied areas by diplomatic and political means. If we had wanted to solve this problem militarily, we would have done it at the same time as the limited action in western Slavonia and, believe me, it would not take much longer to liberate many other occupied areas. [end recording]

The Croatian prime minister went on to answer a few questions about the privatization process and the latest situation concerning the prices and the inflation. He stressed that this year we could expect an inflation rate between 3 and 4 percent, which is, he said, one of the lowest in Europe. [passage omitted]

Tudjman Threatens Use of Military Force

LD3006213995 Zagreb Radio Croatia Network in Serbo-Croatian 2000 GMT 30 Jun 95

[FBIS Translated Excerpt] The third regular convention of the Association of Croatian War Invalids from the War for the Homeland (HVIDRA] ended in Zagreb this evening. In addition to President of the Republic Franjo Tudjman, Defense Minister Gojko Susak and Corps General Zvonimir Cervenko also attended the convention. Vesna Kovacevic reports.

[Kovacevic] [passage omitted] President Tudjman also spoke about the current political situation in Croatia and stressed:

[Begin Tudjman recording] And when I say that we will try, in cooperation with the international community, to solve the reintegration of the occupied areas by peaceful means, this is primarily in order to spare any more victims among the Croatian people. Every drop of Croatian blood, every victim, every wounded person or invalid, every dead (?soldier) is precious. So I will do everything to reduce the number of victims. But at the same time, we will be determined to bring to fruition the achievements we have all together made. If it is not possible to do that by peaceful means—the world around us being what it is—we will do it with the help of military force and of our people's forces because we have been preparing and are still preparing for that if we are forced to do it. [end recording] [passage omitted]

Lists Conditions

AU0207173895 Paris AFP in English 1721 GMT 2 Jul 95

[FBIS Transcribed Text] Zagreb, July 2 (AFP)—Croatia set three conditions Sunday [2 July] for resuming talks with Serb rebels and with Belgrade, including the reopening of an oil pipeline and a railway through territory held by the Serb secessionists.

The third condition is implementation of UN plans for peacekeepers to monitor Croatia's international borders. They have been prevented from doing so because Croatian Serbs control part of the border area.

The three conditions were announced following a meeting between Croatian President Franjo Tudjman and the two international mediators for Yugoslavia, Thorvald Stoltenberg and Carl Bildt.

Croatia and the breakaway Serbs in the former Yugoslav republic, which fought a war in 1991, had begun the process of normalizing economic relations but this was interrupted in early May by a Croatian Army offensive in the Serb enclave of western Slavonia. Serbs responded by shelling downtown Zagreb.

"Croatia will refuse to extend the UN mandate if it turns out never to have been applied," Tudjman said in his statement. The mandate is due to expire in October.

In addition, Zagreb said it would not negotiate with Serb rebel leader Milan Martic, whom it terms a war criminal for ordering the shelling of Zagreb.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

"The key in the whole problem is to be found in Belgrade, given that (Serbian President Slobodan Milosevic) creates the Croatian Serbs' policies and supplies and finances their armed forces," said Tudjman.

He also came out against lifting or easing sanctions imposed in 1992 on the rump Yugoslavia, composed of Serbia and Montenegro, because of the war in Bosnia-Herzegovina.

Some nations have called for the sanctions to be suspended if Belgrade recognizes Bosnia-Herzegovina, which would imply ending support for Bosnian Serbs fighting there for the past three years.

Stoltenberg and Bildt will next head on Monday to Knin, the Croatian Serb stronghold. They held talks with Milosevic in Belgrade on Saturday but reported no progress.

Sees Stoltenberg, Bildt

LD0207225195 Zagreb Radio Croatia Network in Serbo-Croatian 1500 GMT 2 Jul 95

[FBIS Translated Excerpt] Franjo Tudjman, the president of the republic, received Carl Bildt and Thorvald Stoltenberg, the cochairmen of the Conference on Former Yugoslavia; General Bertrand Delapresle, Carl Bildt's military adviser; adviser Bjorn Lyrvall; and Ambassador Alfredo Matacotta Cordello in the presidential palace in Zagreb today . The talks were also attended by Dr. Mate Granic, the deputy prime minister and minister of foreign affairs; Hrvoje Sarinic, the head of the president's office; General Zvonimir Cervenko, the head of the president's military office; and Zeljko Matic, the president's foreign policy adviser. [passage omitted]

Following their meeting with President Tudjman, Bildt and Stoltenberg spoke to reporters. They said that introducing Carl Bildt to Tudjman was one of the reasons behind their visit. They also talked, as they put it, about the situation in the region and the peace process. Bildt was asked to comment on the concentration of troops and weaponry of the so-called Yugoslavia in Croatia's occupied areas. It is not up to me to comment on this, Bildt said. We have acknowledged this, and we will consider this, and discuss it with the competent authorities.

Asked by a reporter whether he felt a moral obligation to tender his resignation because of his statement in Oslo about the allegedly Serb origins of Bosnian Croats and Muslims, Stoltenberg said that he did not intend to resign as his message was clear—he believes that people can live together and that there are no major differences among them so there is no reason to prevent them from living together once a solution is secured.

Turkish Defense Minister Comments on Cooperation

AU0207192495 Split SLOBODNA DALMACIJA in Serbo-Croatian 28 Jun 95 p 7

[Interview with Turkish Defense Minister Mehmet Golhan by Danica Juricic in Zagreb; date not given: "Croatia Will Enter NATO Very Soon!"]

[FBIS Translated Excerpt] When Croatia decided not to extend the mandate of UNPROFOR [UN Protection Force], Turkey regarded, understood, and supported that decision, and even more than that. Kemal Mimaraglu, chief of the Turkish parliamentary mission that visited Croatia at the time, stated that Turkey did not accept in any way forceful changing of the borders, nor could it accept the occupation of the Croatian regions. In May this year Turkish Defense Minister Mehmet Golhan visited Zagreb and Croatian Defense Minister Gojko Susak. After the talks between Golhan and Susak in Zagreb, and the subsequent visit of General Bobetko to Turkey, many people, forgetting about Washington's extreme strategic interest in Turkey, were asking themselves: Can Croatia enter NATO through Turkey? We are discussing the details with Golhan, first reviewing the latest events in Bosnia-Herzegovina, to which Turkey is diplomatically reacting quite actively. [passage omitted]

[Juricic] The Rapid Reaction Force has recently been formed following the demand of the French and the British. Does that mean expansion of the Turkish engagement in Bosnia as well, and is Turkey getting a new role within that plan? Do you think that the Rapid Reaction Force will really intervene in Bosnia?

[Golhan] We decided to support the forming of the multinational Rapid Reaction Force at the meeting of defense ministers in Paris, on 3 June this year. As is known, at the time France and Great Britain, together with Canada, Germany, Italy, and Spain, announced the establishment of that force. On our part we shall provide support from the air, and also some elements of ground support. Furthermore, we shall expand our air force based in Italy. Clearly, for all this we need a relevant decision on the part of our government, and approval on the part of the United Nations. All the decisions made show real commitment for the first time. We demand in the first place that the problem be solved in a peaceful and diplomatic way. However, if it turns out that peace missions and diplomatic efforts cannot bring about a settlement, some elements of military coercion may be used.

[Juricic] Turkey is extremely interested in lasting stabilization in the southeast of Europe and in the Balkans.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

President Demirel has expressed the readiness of Turkey as a member state of NATO to participate actively in the peace process in that region. Turkey has very important connections in NATO, the WEU, the Organization of Islamic States, and the United Nations, and within them it maintains also many bilateral contacts with other member states, including military cooperation as well. In view of these facts, what is the meaning of the agreement on military cooperation that is expected to be signed between the defense ministries of Turkey and Croatia?

Friendly Relations

[Golhan] The agreement on cooperation between the two countries reflects in the first place the readiness to strengthen friendly relations and the mutual commitment to peace. [passage omitted] In case of lifting of the arms embargo imposed by the United Nations, the agreement on cooperation in the field of defense industry will benefit both Croatia and Turkey, and we believe that the cooperation will even more strengthen the peace in the Balkan region. Our opinion is that the implementation of the agreement with regard to the military industry will contribute to the strengthening of the Croatian military industrial capacities and their modernization by most sophisticated technologies of the world standard.

[Juricic] The Croatian public is showing interest in the agreement on military-industrial cooperation between Turkey and Croatia. The delegation of the Turkish Defense Ministry has visited Koncar industries in Zagreb, the shipyard at Kraljevica, the torpedo factory in Rijeka, and the Djuro Djakovic factory in Slavonski Brod. To what extent can military cooperation with Turkey really improve the technical gear of the Croatian Army?

[Golhan] Turkey wants in the first place Croatia's furtherance in the field of political democracy, economy, and culture. We believe that that will bring about good results in the field of the military industry as well. Turkey is ready to start implementing those goals together with Croatia. After necessary training and modernization of the Croatian military industrial capacities it is certain that with regard to human and technical factors the general level of readiness of the Croatian Army will be raised. As I have already said, I believe that the agreement on cooperation in the military industry will make possible those results in a short time.

Officers in Schools

[Juricic] The Defense Ministries of Turkey and Croatia have anticipated cooperation also on the expert level. After your talks with Minister Susak in Zagreb, the schooling of Croatian pilots and naval officers at Turkish military academies has been announced. Since your military academies work in accordance with NATO's standards, what should be the final results?

[Golhan] In the course of my visit to Croatia my colleague, Mr. Susak, received a positive answer from the managing board of our war school regarding the training of Croatian officers in Turkey, and it has been arranged that as early as from 1996 we will start admitting Croatian officers to our educational system. I feel truly satisfied that Croatian officers will study and improve their knowledge at Turkish military schools. That will even more strengthen the friendship and cooperation between our two countries. It is true that our military training system absolutely adopts NATO's standards. I believe that Croatia will integrate with the West in many ways very soon. During my visit I saw for myself that on the plane of economy and culture Croatia is ready to enter western Europe. I also think that the implementation of the agreed cooperation in the system of military training will make the Croatian way toward its full integration in western European countries much easier.

[Juricic] The Turkish ambassador to NATO is in charge of considering the Croatian application to enter the Partnership for Peace, and his visit to Croatia is expected to take place soon. In the long run, do you see Croatia integrated in the Western military structures, and what support can Turkey offer for the desired admission to NATO?

[Golhan] I have to repeat that Turkey supports in the first place political, economic, and cultural integration of Croatia into Europe. As for NATO's project Partnership for Peace, Turkey is ready to offer any necessary help to Croatia. I am sure that the end of the war in the region will influence Croatia's soon becoming a member of the NATO. My personal wish is that the next time I visit your beautiful country we shall have some completely different issues to discuss, and that we shall rejoice over peace and full social, economic, and cultural integration of your country in Europe. I also believe that peace and prosperity will soon be restored in the Balkans.

Ship Construction for Iranian Fleet Discussed

LD3006195295 Zagreb Radio Croatia Network in Serbo-Croatian 1700 GMT 30 Jun 95

[FBIS Translated Text] A Croatian delegation, headed by Deputy Prime Minister Borislav Skegro, met with an Iranian delegation, headed by Foreign Minister 'Ali Akbar Velayati, in the Swiss town of Crans Montana. The meeting between the Croatian and Iranian delegations was the continuation of the talks they began at the Crans Montana Forum last year when they discussed strengthening friendship and partnership,

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

improving economic cooperation, and implementing a joint project worth between $150 million and $200 million. The project concerns the building in Croatian shipyards of four ships for the Iranian merchant fleet.

Iranian Foreign Minister Velayati expressed the Iranian delegation's satisfaction with the results of the recent visit by Iranian First Vice President Habibi to Croatia. They also discussed the situation in Croatia and the dramatic events in Bosnia-Herzegovina in the light of the international community's new peace initiatives.

Newspaper Alleges Persecution of Non-Serbs

95P20884A

[FBIS Media Note] HRVATSKI LIST, a weekly newspaper published in Mostar that is sympathetic to the government of Herzeg-Bosnia, the Croatian-controlled entity in Bosnia-Herzegovina, carried in its 19 May issue a 2,000-word article on the fate of non-Serbs in the Serbian controlled portion of Bosnia-Herzegovina. To illustrate the extent of the ethnic cleansing it accuses the Serb authorities of having conducted, the newspaper published for 19 cities in the Serb-held area the results of a 1991 census that included the ethnic composition of the population. The paper charged that since 1991 more than 55,000 Croats had been either expelled or killed and 40 churches destroyed. The article concluded that Muslim losses must have been "significantly higher" because Muslims had constituted a larger share of the population.

1991 Census

	Muslims	Croats	Serbs
Banja Luka	28,550	29,033	106,878
Prijedor	49,454	6,300	47,745
Jajce	17,400	15,781	8,684
Bosanska Dubica	6,470	488	21,811
Bosanska Gradiska	15,888	3,422	35,989
Bosanska Krupa	43,365	143	13,765
Bosanski Novi	14,083	402	25,106
Bosanski Petrovac	3,276	45	11,695
Bosansko Grahovo	12	41	7,929
Kljuc	17,714	336	18,438
Kotor Varos	11,161	10,640	13,988
Laktasi	506	2,584	24,438
Mrkonjic Grad	3,275	2,141	21,159
Prnjavor	7,153	1,737	33,575
Sanski Most	28,285	4,265	25,327
Skender Vakuf	1,080	4,807	13,277
Srbac	940	145	19,291
Sipovo	2,998	33	12,318
Drvar	34	33	16,613

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

As further evidence of the fate of the non-Serb population, the article cited "official 1995 data" gathered by various humanitarian organizations and the Bosnian Government, which show that from 1992 to 1994 the Bosnian Serbs killed 25,000 and exiled 35,000 non-Serbs in the Prijedor community alone. They established 50 camps, among them the "infamous" Keraterm, Trnopolje, and Omarska, where they detained 35,000 non-Serbs—4,000 of whom are still imprisoned, according to the article.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Bartoszewski Views Kohl Visit, NATO, Russia

AU0207155795 Cologne Deutschlandfunk Network in German 0900 GMT 2 Jul 95

[Interview with Polish Foreign Minister Wladyslaw Bartoszewski by Dietrich Moeller; place and date not given—recorded]

[FBIS Translated Excerpt] [Moeller] Mr. Minister, Federal Chancellor Helmut Kohl will come to Warsaw in a few days. What specific projects for the further improvement of relations and rapprochement between the two nations will be agreed upon?

[Bartoszewski] The chancellor's last visit took place in November 1989—in the days that were dramatic and critical for Poland and, in particular, . r Germany as well as for many other Central and East European countries. We should not forget this. These six years are a long time politically and psychologically, both for Germany and for Poland. At that time, the visit marked a historic political change, the visit of a German chancellor to the new Polish republic at a moment when the old communist system that had been imposed upon us collapsed.

Now it is, of course, different because now the renowned and important politician of a neighboring—and we may also say friendly—country is visiting the other country's capital under less dramatic circumstances. We do not have to expect anything revolutionary. What is important for us is the fact that he comes after six years. What is important for us is everything that happened in the meantime. What is politically and foreign-politically important is the fact that we now see in the Federal Republic an important strategic partner in all areas, and, in particular, we are expecting German policymakers to support Poland on its road to the European Union and all Western structures such as NATO.

[Moeller] I am a bit surprised to hear you talk about a friendly country. Friendship between Poland and Germany is not yet as deep as that between France and Germany, or is it?

[Bartoszewski] Chancellor Kohl recently described German-Polish relations as exemplary. This was his assessment, not mine. I think we are on a good way. Politically, our countries have friendly relations. This does not yet mean that all the hurdles have been overcome psychologically. Look at the Netherlands. It took very long until certain progress was made in relations, even though the Netherlands has had the same political system as Germany. [passage omitted]

Let us look at the problems of the German minority in Poland, which has now formulated more demands. This minority is no longer suppressed; it has newspapers and schools and can speak German as it pleases. This minority is also represented in parliament by as many as five deputies. [passage omitted]

[Moeller] Mr. Minister, you said you are expecting German support for Poland's entry into the European Union and NATO. However, there are still many problems to be solved. What I would like to know is whether it is sufficiently known in Poland that the Poles themselves must create essential conditions for being admitted to the European Union.

[Bartoszewski] In my view, all affairs and elements are not sufficiently known. But we could ask a counterquestion. Were they fully known in Sweden or Austria last year? [passage omitted] Psychologically, the Western orientation is so deeply rooted in Poland that the Germans often do not understand that, since the 10th or 11th century, the Poles have continuously oriented themselves increasingly toward the West. [passage omitted]

[Moeller] Professor, could it be that the Poles will be disappointed, considering that the inclination in the West to admit Poland to the European Union might decrease if the possible costs involved, including in connection with the common agricultural policy, turn out to be particularly high?

[Bartoszewski] The Poles will not be more disappointed than the eastern Germans when they realized that they would not immediately profit from unification with the rich and prospering Federal Republic. But disappointment is bound to come. But this is how it is. There are waves going up and down, enthusiasm and disappointment. I do not see another way or another option. [passage omitted]

The people's psychological situation has not changed in 50 or 60 years. The people are not feeling absolutely secure. They think it would be right for the country to be a member of a collective security system. Does anyone threaten the Danes, the Belgians, the Dutch? Nonetheless, they consider it a foregone conclusion to belong to a collective security system.

[Moeller] But, Mr. Minister, NATO was founded before 1992. At that time, there were two blocs. If Poland wants to become a member of a collective security system, the question is from whom or from what Poland is seeking protection.

[Bartoszewski] Security from whom or from what? I think the present system and, in particular, the future system will not be identical with NATO in its early days. It will be a different security system. Everyone knows that, and this creates problems. The current considerations are about the way the new security

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

system in Europe should be built. The Germans, the Americans—I held talks with all of the important European foreign ministers.

[Moeller] The Russians, too.

[Bartoszewski] The Russians, too. But who threatened the Russians in the past 50 years? [passage omitted]

[Moeller] You are talking about NATO members who were already NATO members before the collapse of the Soviet Union, when there was a real threat.

[Bartoszewski] Yes, this holds true for certain countries, not for all countries.

[Moeller] But we are talking about Poland. In this connection, doesn't the Polish public view NATO as a military alliance against Russia, a political instrument to ward off Russian influence, or an instrument of general security?

[Bartoszewski] The people are increasingly thinking about its political significance rather than its military importance. We think the military aspect is becoming less important. Granted, we are also involved in peaceful missions and interventions in some countries of the world. [passage omitted] But the new generation in our country is not militaristic, our young people are not so very different from the youths in other European countries. [passage omitted]

[Moeller] Is there no fear of Russia?

[Bartoszewski] There is fear of Russia, of course. But this fear comes from extremist statements by such stupid people as Zhirinovskiy or other unpredictable individuals. It is not fear of Russia's official policy. It is fear of the largeness of the country and of people such as Zhirinovskiy and 20 million people who voted for this fool. This creates a certain insecurity, and people sometimes doubt the predictability and stability of Russian politicians. However, we are considering whether the situation there is stable. [passage omitted]

[Moeller] [Passage omitted] How do you see Russia's role in the near future?

[Bartoszewski] That depends on Russia. Russia is one of the world's most important countries. Basically, it is the only country that is equally present, strong, and significant in Asia and Europe. [passage omitted] I think the current development in Chechnya—the development in recent days—shows that there are forces in Russian policy that consider giving the smaller nations more leeway.

One should not exaggerate this nation's aggressiveness. One should not simplify things. One should assess the situation in a businesslike way and help the people with their further development. But one should not interfere too much in the country's affairs, and one should view the Russian people's national characteristics with sensitivity.

[Moeller] Thank you, Mr. Bartoszewski.

Kohl Links NATO Membership to Joining EU

LD0207205095 Warsaw TVP Television First Program Network in Polish 1700 GMT 2 Jul 95

[Relayed by Warsaw TV Polonia]

[FBIS Translated Text] In an interview for "Wiadomosci," German Chancellor Helmut Kohl came out in favor of linking our NATO membership to joining the European Union. This may mean a delay in the process of expansion of the North-Atlantic Treaty eastward, inasmuch as possible negotiations on Poland's EU membership will start in two years' time at the earliest.

Chancellor Kohl starts an official visit to our country in four days' time.

[Begin recording] [Correspondent Malgorzata Raczynska, in German with superimposed Polish translation] When, in your opinion, should Poland join NATO?

[Kohl, in German with superimposed Polish translation] I think the issue of Poland's joining NATO should be decided together with Poland's joining the European Union. Although there is no legal obligation with regard to this matter, there certainly is political logic about this. I support the theory that Poland should join the EU as soon as possible. Poland must decide itself when this will happen. The Poles must say themselves: We are ready, we want to be part of the Union. No chancellor can answer whether such a will exists.

The members of the Union, in the same way the Germans are doing it, should help Poland on this path, particularly on the path leading to NATO. Frankly speaking, I do not think it is wise to separate these two issues. I can see good prospects for both aims to be achieved in the coming years.

I think that nobody, no party, has the right of veto with regard to the issue of Poland's membership in both the EU and NATO. However, we should try—particularly taking into consideration the complicated historical relations between Poles, Germans, and Russians—to learn from these historical lessons. Let us try to reconcile the special interests of Poland's security—the interests that have brought about Poland's wish to join NATO—with the justified interests of Russia's security.

At the moment, it does not make sense to build new walls by moving them from the Polish-German to the

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Polish-Russian border. I can see great opportunities for reaching a sensible compromise. I will do what I can and what is within my power to achieve this aim. [end recording]

Polish, Egyptian Foreign Ministers Hold Talks

LD0107204995 Warsaw Third Program Radio Network in Polish 1900 GMT 1 Jul 95

[FBIS Translated Text] Foreign Minister Wladyslaw Bartoszewski has had talks in Cairo with Egyptian Foreign Minister 'Amr Musa.

[Correspondent Sylwia Wysocka] The main subjects of the talks by the two politicians were Polish-Egyptian relations and the Middle East peace process. The ministers signed an agreement on the mutual support and protection of investments. The Polish side is counting on an enlivening of economic cooperation with Egypt because it thinks the current level of exchange is unsatisfactory. Earlier, during talks with the speaker of the upper house of the Egyptian parliament, Wladyslaw Bartoszewski said that Poland was interested in the economic consolidation of Palestinian autonomy. This declaration was not, however, the subject of further talks. The minister stressed Poland's full support for the Middle East negotiations. He also recalled that a Polish UN battalion was stationed on the Golan Heights. We want to be everywhere where a peace process is going on, the foreign minister said.

The issue of international terrorism is a recurring one in the Cairo talks. Minister Bartoszewski said he was shocked by the report of the attempt on President Husni Mubarak's life. Representatives of the Egyptian authorities told the Polish guest that international terrorism was the greatest threat to that country. We are the enemies of terrorism, extremism, and any kind of force, Professor Bartoszewski declared. Nationalist and socialist extremists, he added, kept me in prison for eight years.

The greatest success of this visit is that it came about, and a few weeks before Minister Bartoszewski's trip to Israel at that, Polish diplomats say. A meeting between Minister Bartoszewski and President Husni Mubarak, who plays a key role in the Middle East peace negotiations, will also be a diplomatic success. It is still not known, however, whether this meeting will take place; nor is it known whether a new date for the Egyptian leader's visit to Poland will be fixed. He has already called off a visit to our country at the last minute because of the situation in Egypt.

Husni Mubarak is celebrating his lucky escape during the recent attempt on his life. Crowds of cheering Egyptians are gathering in front of the presidential palace in Cairo. Sylwia Wysocka from Cairo.

Well-Known Comedian To Run for President

WS0307073395 Warsaw RZECZPOSPOLITA in Polish 30 Jun 95 pp 1-2

[Article by Andrzej Kaczynski: "Mr. Janek Will Run; An Idea For a Sketch"]

[FBIS Translated Text] "I will not supply any personal data so as not to expose myself to ridicule," said Jan Pietrzak, a comedian, when asked who supports his candidacy for president. At a news conference held on 29 June at the Polish Press Agency, he stated he will launch his campaign as soon as the speaker of the Sejm announces the date of elections. "I am in no hurry to collect the required number of signatures. I do not trust the coalition. I think there will be misdemeanors. They might ask me to supply my father's name or my personal identification number on the application form."

"I noticed that my profession is a problem for the journalists," said Jan Pietrzak, going on to mention that we had a prime minister who was a piano player (Paderewski), a president who was an actor (Reagan; Pope John Paul II also played minor roles once), a president who was a playwright (Havel), and a secretary general of NATO who was an orchestra director (Claes).

He failed to mention one other figure, the one he most closely remembers—namely, French cabaret performer Clouche, who lost in presidential elections at least three times but became a spokesman and defendant of the poor, starving, homeless clochards, for which he established a chain of "kind heart canteens," where they got free food. "Do not shrug me off as a presidential candidate from the very start. I am not the one touring the country in a 'merry bus'; it is not for me that bands are playing and girls are dancing. I consider the fact that my politician rivals who are responsible for what has happened to Poland over the past six years are running in the elections with their heads held high, pretending they had nothing to do with it, to be the best comedy act."

"I have dealt with politics all my life; I have often criticized it because critical thinking is my forte," said Pietrzak. "That is why I want to be a representative of the 60-70 percent of people who are staying away from politics. Throughout the campaign, I will try to persuade them first to vote. If they do not vote for me, I will return to the cabaret and do an act on how I failed to become president. It is not a bad idea for a sketch."

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Walesa Undecided on Presidential Race

LD0207131095 Warsaw PAP in Polish 1333 GMT 2 Jul 95

[FBIS Translated Text] Nowy Sacz, 2 Jul—President Lech Walesa, who met the residents of the parish of Korzenna [Nowy Sacz Province] and representatives of other Malopolska regions today, said that he has not yet decided whether to runs again. "I will make the decision when I am convinced I can serve Poland, having firm support. Five percent support in parliament does not interest me," he said.

Many banners were unfurled before the president:

—"We owe it all to you—We want you for a second time"

—"You at the top, we at the bottom—Together we'll do great things"

—"Democracy guards the president—Mogilno village dreams of this"

—"We have given the Left a beating—May the president fight on"

—"Although we have a prime minister from [Nowy] Sacz, we will vote for you."

President Lech Walesa was made an honorary citizen of Korzenna parish and given many presents. One was a peasant's whip, to "chase the members of parliament," and another a mountaineer's stick, to give him "something to fight with."

Right Discusses Fielding Joint Candidate

WS3006133195 Warsaw GAZETA WYBORCZA in Polish 30 Jun 95 p 4

[Article by "An," "DOM": "Who Will the Right Choose; Reducing the Number of Candidates"]

[FBIS Translated Text] Hanna Gronkiewicz-Waltz hopes Lech Walesa will back out of the race to the Presidential Palace and that she will be the only candidate of the right.

During yesterday's news conference, the chairman of the Christian National Union [ZChN], Ryszard Czarnecki, stated that he has already spoken with Hanna Gronkiewicz-Waltz, Leszek Moczulski, Adam Strzembosz, and Janusz Korwin-Mikke. He suggested they withdraw from the elections "one minute to midnight" in favor of whoever has the best ratings. The ZChN leader wants to talk about the "reduction" with Lech Walesa and Jan Olszewski.

A closed meeting of the rightist presidential candidates was held yesterday at the Sejm on the initiative of Zbigniew Religa (the Republicans). The participants included Ryszard Czarnecki, Krzysztof Krol, head of the parliamentary club of the Confederation for an Independent Poland [KPN], Pawel Laczkowski from the Peasant-Christian Party, Romuald Szeremietiew from the Movement for the Republic, and Deputy Chairman of Solidarity Janusz Tomaszewski. No one was invited from the Center Accord.

Everyone spoke of the need to appoint one candidate from the right and form a joint bloc in the presidential elections. The hopefuls declared their readiness to withdraw in support of whoever is most popular. It was not agreed, however, how the candidate is to be appointed.

Professor Religa announced that Hanna Gronkiewicz-Waltz was ready to withdraw "for the sake of the common good."

As we have learned, however, the president [of the National Bank of Poland] delivered a vehement speech in which she said she would not heed the decision of the parties because it is the citizens who vote in the elections.

She also told journalists that, considering the fact that she is doing so well in preelection rankings, she does not see why she should withdraw. "The president recently announced that he would comply with a verification carried out by people of authority. Chances that he will back out are now bigger than ever," she said.

At a recent meeting held between the parliamentary clubs of the KPN, Solidarity, and the Non-Party Bloc in Support of Reforms, Walesa promised that, as a faithful son of the church, he will not run unless Primate Glemp supports him. The president did not come to yesterday's meeting. Neither did Jan Olszewski.

Solidarity Strike Begins at Nadwislanska Mines

LD0307100295 Warsaw PAP in Polish 0819 GMT 3 Jul 95

[FBIS Translated Text] Katowice, 3 Jul (PAP)—A strike proclaimed by the Solidarity Interfactory Coordinating Commission [MKK] began today in the railroad sections of four Nadwislanska Coal Company [NSW] mines—Brzeszcze, Piast, Jaworzno, and Ziemowit—MKK Chairman Jan Dabrowa reported. The trade unionists are protesting these sections being turned into a limited company with 100-percent NSW share ownership.

In the trade union's opinion, this violates last year's agreement with the management. Dabrowa says the strike may spread to a fifth mine—Czeczott. He added that the trade unionists are waiting for negotiations

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

with the NSW management to begin. The union wants the creation of a new company to be abandoned and the railroad sections to remain within the mines' organizational structure.

The chairman says the strike in the railroad sections, which are the "last thread" of the technological process, may halt extraction at the mine in a short time.

NSW spokesperson Ilona Saft said that the management is ready to talk with the trade unionists. "The railroad sections of the Silesia, Siersza, and Janina mines are not on strike. Part of the work force of these sections is on strike in the remaining mines. The managers are talking with the employees," she said.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Defense Minister Rejects Officers' Attacks

AU0307115395 Bucharest Radio Romania Network in Romanian 1000 GMT 3 Jul 95

[FBIS Translated Text] Romanian Minister of National Defense Gheorghe Tinca held a news conference today presenting journalists with his stand on the letter of the 300 Romanian Army officers published in the ROMANIA MARE weekly, some ideas and actions regarding the process of reform in the Army by restructuring its bodies, and the results of the visits he has paid to the United States and Germany.

Referring to the letter of the 300 officers, the minister of national defense rejected the accusations it contains and mentioned that the morale in the Army is different from the one that this action is attempting to convey.

As far as concerns the process of reform in the Army, which is to conclude this year, Minister Tinca said that efforts have been made to achieve the restructuring of units in terms of size and ensure their equipping with military technology, while next year, attention will be paid to outfitting the new units and to the training process.

Referring to the visits he has paid to the United States and Germany, Minister Tinca said that he noticed the hosts' increasing interest in our country both from a political viewpoint as well as from the viewpoint of cooperation in the area of military technology. In this context Mr. Tinca said that integration in Euro-Atlantic structures must not be artificially accelerated, and expressed his belief in the importance of participation in the Partnership for Peace, whose stages have been traveled seriously in a relatively short period, our correspondent Catalina Cretu informed us.

Cioflina Announces Defense Industry Privatization

AU0207194195 Bucharest EVENIMENTUL ZILEI in Romanian 26 Jun 95 p 8

[Article by Radu Tudor: "The Chief of the General Staff Announced the Start of the Greatest Business Since December 1989: The Defense Industry, Which Will Soon Be Privatized, Has a Yearly Potential of $20 Billion!"]

[FBIS Translated Text] On Friday, 23 June, Colonel General Dumitru Cioflina, chief of the General Staff, announced during a news conference that in the near future the defense industry will be privatized. As a result of this act, the army will be only the beneficiary of military technology, arms and ammunition, but not the producer of these devices.

The announcement made by Colonel General Dumitru Cioflina is of utmost importance.

All the billionaires of Romania and from abroad will be fighting to buy as many weapon and military technology manufacturing factories as possible. There is a great deal at stake in this fight. According to military experts, if there is optimal production and delivery markets, the Romanian industry can have over $20 billion yearly income. This is an astronomical figure and there will be no scruples in grabbing it.

The defense industry sector in Romania includes the following:

1. One public corporation for the production of military technology (RATMIL) with 16 factories and two research institutes.

2. One public corporation for explosive and pyrotechnical devices (ROMPIRO) that belongs to the Ministry of Industries.

3. Eight aeronautical industry production units, which manufacture civilian and military planes (for example: Romaero, Avioane-Craiova, and Aerostar).

4. One public corporation that makes up the Army's industrial group (GIARA), which includes five factories, the Mangalia shipyard, and the Research Institute of the Ministry of National Defense in Clinceni.

5. The public corporation of the Ministry of the Interior Ramidacia, which produces equipment especially devised for the Interior Ministry and Romanian Intelligence Service units.

Thirty-five commercial companies and 60 economic companies are also participating in the activity of ensuring the outfitting of the military structures in Romania which manufacture parts and subassemblies. Over 100,000 people are employed in the defense industry. The main structures that coordinate and are responsible for the defense industry are the State Office for Special Issues, the Department in Charge of Equipment and Logistics within the Ministry of National Defense, and the Ministry of Industries.

It will be very important for Romania who decides on what exactly is going to be privatized, who gets hold of the still profitable companies in the defense industry, who takes commissions and under what conditions, and whether there will be an arrangement with foreign investors in the same domain for the Romanian military technology and arms manufacturing enterprises. And another thing: Who will hold majority in the Romanian defense industry: the Russians or the Americans?

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Federal

Foreign Ministry: FRG Decision Causing Anxiety

AU3006190995 Belgrade RTB Television Network in Serbo-Croatian 1730 GMT 30 Jun 95

[FBIS Translated Text] The Federal Ministry for Foreign Affairs has stated this evening that the decision to send German military forces to the territory of the former Yugoslavia, that is, the former Bosnia-Herzegovina, is causing understandable anxiety and serious concern.

This decision represents yet another deviation from the UN principles that neighboring countries and countries burdened by negative historic experience should not participate in UN military operations in this region. This principle, first violated when the Turkish military forces were deployed in the former Bosnia-Herzegovina, has again been violated by inviting Germany in, and by its decision to send military units to this region.

Since Germany has twice in modern history carried out military aggression against the Serbian and Montenegrin people, that is, against Yugoslavia, and it has been singled out by its particularly negative role in the Yugoslav crisis, it is neither wise or useful for Germany again to play a military role in the Balkans, even if only under the auspices of the UN peacekeeping forces.

It is unnecessary to remind the international public that the painful memories of World War II are particularly vivid and strong among the Serbs in the former Bosnia-Herzegovina. The Muslim side has not given up attempts at internationalizing the civil war and Germany's participation in UNPROFOR [UN Protection Force] will encourage them to seek further ways to achieve this aim.

This decision is all the more problematic as it comes at a time when the partiality of influential international factors to the advantage of one side and to the detriment of another in the civil war is still on display. Since Germany has declared itself in favor of a peaceful settlement, there are other acceptable and more effective ways to contribute to this end and to manifest its importance and influence in Europe.

The true safety and protection of UNPROFOR lies in the equal treatment of both sides in the civil war, and not in increasing the number of the peacekeeping forces or extending their mandate. Only UNPROFOR as an impartial keeper of peace can help end the war and revive the peace process.

Minister Details Economic Losses From Sanctions

LD0107144695 Belgrade TANJUG in English 1439 GMT 1 Jul 95

[FBIS Transcribed Text] Belgrade, July 1 (TANJUG)—Yugoslav minister without portfolio Tomica Raicevic said here Saturday that the Yugoslav economy had suffered between 120 and 130 billion dollars in losses due to the three-year U.N. sanctions against Yugoslavia.

Speaking at the second congress of Yugoslav emigrant donors of humanitarian aid, Raicevic said that "the Yugoslav economic recovery program has curbed the printing of money, inflation and a production drop."

He said this was not easy to achieve as Yugoslavia had 1.7 million employees who had been laid off with a token pay as well as more than one million retirees and almost 600,000 refugees.

Raicevic said that drafting of bills on foreign investments and on duty free zones was currently underway to boost exports and investments of foreign capital.

Yugoslav Chamber of Commerce Vice President Danilo Perovic, for his part, told the congress that about 500 economic projects had been drafted in the area of power industry, infrastructure, traffic and communciations and that 220 of them called for 30-70 percent of foreign capital investments.

Yugoslav Chamber of Commerce representatives also presented a directory of Yugoslav clubs and associations of Yugoslav citizens and emigrants abroad, comprising information about 854 such associations worldwide.

Navy Builds New Base in Montenegrin Valdanos Bay

AU0307105095 Novi Sad DNEVNIK in Serbo-Croatian 27 Jun 95 p 5

[Article by Milan Bozokin: "Valdanos—A New Naval Port"]

[FBIS Translated Text] The Yugoslav Navy will soon get another war port—Valdanos near Ulcinj. The news about the new naval port in the Adriatic was announced by President of Montenegro Momir Bulatovic, who said at the celebration of the second anniversary of the Yugoslav Navy in Kotor that this republic agreed to the construction of a naval base in Valdanos Bay, which would accommodate a number of the Navy's warships. Construction work has already started.

With the construction of the naval port in Valdanos conditions have been completed for the successful defense of our entire coastline. Besides, the presence of various combat vessels will be reduced in Boka Kotorska Bay, which has already become inadequate to accommodate all the missile frigates, torpedo and missile craft, and large and small submarines. After the withdrawal from Croatia and Slovenia the Navy has concentrated its entire body of warships in Boka Kotorska Bay. However, "the bride of the Adriatic" has not been prepared

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

to take in such massive machinery at once, because it lacks sufficient docks and space. The former Yugoslavia mostly invested in Split, which was its main naval base, so that Boka Kotorska remained short of specific infrastructure, without which the modern Navy cannot successfully act. Its current main base is in Tivat, and warships are moored all over the place.

Why Valdanos?

The need for Boka Kotorska Bay to be relieved of the burden of warships, as well as for something to be changed in our coastal defense concept became clear as soon as Prevlaka was placed under UN protection. The danger of being closed in at Boka Kotorska threatened the Yugoslav Navy at one point, so a solution was urgently sought to move a part of our naval force out of the bay.

Ever since the first analyses were made Valdanos has been one of the spots most favored among the military leadership for the construction of a new naval base. The bay is near Ulcinj, where an army resort is situated, and is more than a kilometer long, with an average width of several hundred meters. In the extension of Mandra cape a breakwater will be erected, and experts believe that it will be no problem because at that spot the sea is up to 20 meters deep. The future naval base will have good anti-air force protection, because it is encircled by the heights of Mozur, Mavrijac and Bijela Gora, while nearby Podgorica's Golubovci airport can provide air support....

The decision on Valdanos as a new naval port was not made in a hurry. Speculation on whether or not to build a naval base there lasted for over two years, until the issue was finally decided upon by the state and military leadership.

Coastal Defense Is Being Fortified

"We have decided that it will be Valdanos because from there one can very quickly reach the north and the south of our coast," President of Montenegro Bulatovic said. "In Valdanos we shall not build a great naval base, similar to American bases, nor are we establishing a great naval force, we are just planning to build a port, relieve Boka Kotorska Bay, and improve the efficiency of our coastal defense. Our goal is to have a small fleet with a greater number of war ships for swift actions, so that we could reach different destinations within a short time," Bulatovic said.

The current Yugoslav Navy defends quite a narrow part of the Adriatic, that is, only 250 kilometers. An analysis shows that with the existing warships and systems our part of the Adriatic coast can be successfully defended, but the navy needs modernization also because of the unfavorable surroundings. The Croatian Navy is still rather modest, but with the well-known sponsorship on the part of foreign powers it could develop quite soon. The Albanian Navy is also a reality, particularly since some foreign powers have developed an interest in modernizing its warships. As is known, Albania has expressed its desire to become a member of NATO.

In our Navy, whose warships have an average age of 15 years, which means that 40 percent of their "life" has passed, the staff is preparing to rearm the ships. As a rule, that job is done every 15 years, and that deadline is already near. According to Counter-Admiral Milan Zec, commander of the Navy, even though times are hard, the coastal defense is being reinforced. That involves the construction of new coastal batteries and positions for surface-to-sea missiles. This part of the Adriatic coast is not so dissected, there are no islands, and not even the usual radar shadows [as published], and all that determines the way in which the fleet is used.

"The FRY is, in a way, squeezed between the coasts and territorial waters of Croatia and Albania," Counter-Admiral Zec points out. "From the military point of view, under the supposition that those countries are unfavorably disposed toward us, the construction of two powerful ports creates much better conditions for defense, for sea control, and rapid and efficient actions when necessary," Zec says.

The future staff at the new naval base of Valdanos will most probably not have housing problems. The republic of Montenegro has provided 130 apartments in Ulcinj and the aforementioned bay for the Navy personnel, whereas in return it will get warships that the Navy no longer needs. The shipyard in Bijela is looking forward to reconstructing those ships for civilian use.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

BULK RATE
U.S. POSTAGE
PAID
PERMIT NO. 352
MERRIFIELD, VA.

This is a U.S. Government publication produced by the Foreign Broadcast Information Service (FBIS). Its contents in no way represent the policies, views, or attitudes of the U.S. Government.

FBIS collects, translates, disseminates, and analyzes foreign open-source information on behalf of the U.S. Government. Its publications may contain copyrighted material. ***Copying and dissemination is prohibited without permission of the copyright owners.***

— Bracketed indicators before the first sentence of each item describe the way in which the material was processed by FBIS.

— Headlines and all bracketed explanatory notes are supplied by FBIS.

— Personal and place names are rendered in accordance with the decisions of the U.S. Board on Geographic Names as adapted by FBIS. Unverified names in radio and television material appear in parentheses and are spelled phonetically; words and phrases in parentheses preceded by a question mark are unclear in the original and deduced from context.

SUBSCRIPTION INFORMATION

U.S. Government Customers

For a list of FBIS products, to subscribe to an FBIS publication, or to indicate a change of address contact:

FBIS
P.O. Box 2604
Washington, DC 20013-2604
Telephone: (202) 338-6735
FAX: (703) 733-6042

Non-Government Customers

Subscriptions are available from the National Technical Information Service:

NTIS
5285 Port Royal Road
Springfield, VA 22161
Telephone: (703) 487-4630
FAX: (703) 321-8547

New subscribers should expect a 30-day delay in receipt of the first issue.